

3-14-01
cm

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

H

W-02128A WATER
HILLCREST WATER COMPANY
915 E BETHANY HOME RD
PHOENIX AZ 85014-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
-----------	-----------	-------------

FOR COMMISSION USE

ANNUAL	80
--------	----

COMPANY INFORMATION

Company Name (Business Name) <u>HILLCREST WATER COMPANY</u>		
Mailing Address <u>915 E. BETHANY HOME ROAD</u>		
<u>PHOENIX</u> (City)	<u>AZ</u> (State)	<u>85014</u> (Zip)
<u>602 265-5914</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>915 E. BETHANY HOME ROAD</u>		
<u>PHOENIX</u> (City)	<u>AZ</u> (State)	<u>85014</u> (Zip)
<u>602 265-5914</u>		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>BARBARA DUNLAP</u>		<u>PRESIDENT</u>
	(Name)	(Title)
<u>915 E. BETHANY HOME RD</u>	<u>PHOENIX</u>	<u>AZ</u>
(Street)	(City)	(State)
<u>85014</u>		(Zip)
<u>602 265-5914</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		
On Site Manager: <u>EILEEN THOMPSON</u>		
	(Name)	
<u>782 BAY VIEW DRIVE</u>	<u>PARKER</u>	<u>AZ</u>
(Street)	(City)	(State)
<u>85344</u>		(Zip)
<u>602 265-5914</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

Statutory Agent: BARBARA DUNLAP
 (Name)
915 E. BETHANY HOME RD PHOENIX AZ 85014
 (Street) (City) (State) (Zip)
602 265-5914
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)
 Attorney: _____
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input checked="" type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME HILLCREST WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	7353	789	6564
307	Wells and Springs			
311	Pumping Equipment	7655	7366	289
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	56102	5960	50142
331	Transmission and Distribution Mains	14455	14455	-
333	Services	6800	6800	-
334	Meters and Meter Installations	8598	8598	-
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1440	1440	-
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	102403	45408	56995

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME HILLCREST WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	7353	10	729
307	Wells and Springs			
311	Pumping Equipment	7655	1.5	41
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	56102	4.0	2624
331	Transmission and Distribution Mains	14455	-	-
333	Services	6800	-	-
334	Meters and Meter Installations	8598	-	-
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1440	67.5	975
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			4369

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME HILLCREST WATER COMPANY

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 750	\$ 7017
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	2249	-
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 2999	\$ 7017
	FIXED ASSETS		
101	Utility Plant in Service	\$ 98158	\$ 102404
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation -- Utility Plant	41039	45408
121	Non-Utility Property		
122	Accumulated Depreciation -- Non Utility		
	TOTAL FIXED ASSETS	\$ 57119	\$ 56996
	TOTAL ASSETS	\$ 60118	\$ 64013

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME HILLCREST WATER COMPANYBALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 3700	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		746
237	Accrued Interest	39771	39771
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 43471	\$ 40517
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 83029	\$ 86662
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 126500	\$ 127179
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 28000	\$ 28000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	<94382>	<91166>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ <66382>	\$ <63166>
	TOTAL LIABILITIES AND CAPITAL	\$ 60118	\$ 64013

COMPANY NAME HILLCREST WATER COMPANYCOMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 33 486	\$ 35 694
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 33 486	\$ 35 694
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water	105	210
615	Purchased Power	3023	2708
618	Chemicals		
620	Repairs and Maintenance	1401	2216
621	Office Supplies and Expense	3010	2570
630	Outside Services	12796	11821
635	Water Testing	2269	699
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	2586	2192
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		1000
675	Miscellaneous Expense	2727	508
403	Depreciation Expense	1056	4369
408	Taxes Other Than Income	2140	2173
408.11	Property Taxes	2568	1265
409	Income Tax	350	746
	TOTAL OPERATING EXPENSES	\$ 34 025	\$ 32 477
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$	\$
	NET INCOME/(LOSS)	\$ (539)	\$ 3217

COMPANY NAME HILLCREST WATER COMPANY

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1997	1998	1999	
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 5591	\$ 47304	\$ 30000	\$
Amount Outstanding	\$ 5591	\$ 47304	\$ 30000	\$
Date of Maturity				
Interest Rate	8 1/2%	8 1/2%	8 1/2%	
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 2

Meter Deposits Refunded During the Test Year \$ 0

COMPANY NAME HILLCREST WATER COMPANY

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
<u>5</u>	<u>3</u>	<u>120</u>	<u>14-11</u>	<u>3</u>

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<u>NONE</u>		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<u>3</u>	<u>1</u>		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<u>43001</u>	<u>1</u>	<u>85</u>	<u>1</u>
<u>50000</u>	<u>1</u>		

STATISTICAL INFORMATION

Total number of customers	<u>175</u>	
Total number of gallons sold	<u>7397</u>	gallons

COMPANY NAME HILLCREST WATER COMPANY YEAR ENDING 12/31/2000

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 1264.70

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME HILLCREST WATER COMPANY

YEAR ENDING 12/31/2000

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>3151</u>
Estimated or Actual Federal Tax Liability	<u>473</u>

State Taxable Income Reported	<u>3424</u>
Estimated or Actual State Tax Liability	<u>273</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>NA</u>
Amount of Gross-Up Tax Collected	<u>2</u>
Total Grossed-Up Contributions/Advances	<u></u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

COMPANY NAME HILLCREST WATER COMPANY YEAR ENDING 12/31/2000

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 1264.70

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) LA PAZ
NAME (OWNER OR OFFICIAL) TITLE BARBARA DUNLAP PRESIDENT
COMPANY NAME HILLCREST WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2000
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 37,867

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,173
IN SALES TAXES BILLED, OR COLLECTED**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

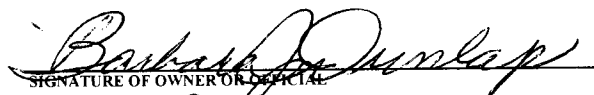
13th

DAY OF

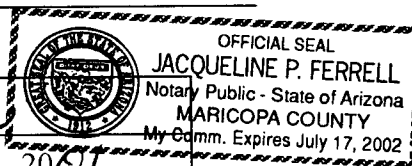
(SEAL)

MY COMMISSION EXPIRES

7-17-02


SIGNATURE OF OWNER OR OFFICIAL
602 265-5914
TELEPHONE NUMBER

COUNTY NAME **Maricopa**
MONTH **March** 2001




SIGNATURE OF NOTARY PUBLIC
AKA Jansen

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>LA PAZ</u>	
NAME (OWNER OR OFFICIAL) <u>BARBARA DUNLAP</u>	TITLE <u>PRESIDENT</u>
COMPANY NAME <u>HILLCREST WATER COMPANY</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 37,867

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,173
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Barbara Dunlap
SIGNATURE OF OWNER OR OFFICIAL

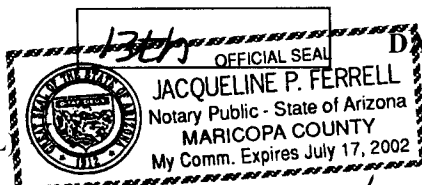
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13th DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME <u>JACQUELINE P. BAKER (F/K/A Ferrell)</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>March</u>	20 <u>01</u>

X Jacqueline P. Baker
SIGNATURE OF NOTARY PUBLIC F/K/A Ferrell

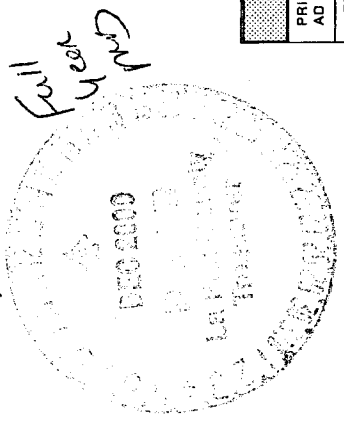
2000 TAX NOTICE
JAN. 1, 2000
TO
DEC. 31, 2000

COUNTY OF LA PAZ
ARIZONA
ADDRESS: 1112 JOSHUA ST. #20
PARKER AZ 85344

LEGAL DESCRIPTION: SECTION 12,000 USE 5500
TWN 6,912
RNG 1.00
ACRES
310-32-275
TOTAL VALUE OF OPERATING PROPERTY 310-32-276

TAX ROLL NUMBER
14823
PARCEL IDENTIFICATION
913-12-703 5
TAX AREA CODE
2703

IMPORTANT - SEE REVERSE SID
FOR COMPLETE EXPLANATION OF
YOUR 2000 TAX NOTICE AND
PAYMENT INSTRUCTIONS.



913-12-703 5 14823
HILLCREST WATER CO
BARBARA DUNLAP/OWNER
915 E BETHANY HOME RD
PHOENIX AZ 85014-2148



PRIMARY PROPERTY TAX CALCULATION (1)					
ITEM	LIMITED VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE
LAND, BLDGS, ETC.	18,912	2.50	4,728	0	458.04
PERSONAL PROPERTY	40,188	2.50	10,047	0	458.04
TOTALS	59,100		14,775	0	676.76
SECONDARY PROPERTY TAX CALCULATION (2)					
ITEM	FULL CASH VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE
LAND	18,912	2.50	4,728	0	397.92
BLDGS, ETC.	0	0	0	0	0
PERSONAL PROPERTY	40,188	2.50	10,047	0	397.92
TOTALS	59,100		14,775	0	587.94

1999-2000 TAX COMPARISON (4)

TAX JURISDICTION		2000 PRIMARY		2000 SECONDARY		2000 TOTAL		1999 TOTAL		DIFFERENCE	
TAX CODE	LA PAZ COUNTY	33245	0	0	0	33245	0	32176	32176	1069	1069
02000	SCHOOL EQUALIZATION	7569	0	0	0	7569	0	7461	7461	108	108
08150	AZ WESTERN COMMUNITY COLLEGE	26800	4160	0	0	31022	31022	30358	30358	664	664
11202	BUCKSKIN FD	000	31472	0	0	31472	31472	28325	28325	3147	3147
11900	FIRE DISTRICT ASSISTANCE	000	1478	0	0	1478	1478	1430	1430	48	48
67027	PARKER SD #27 CLASS A BONDS	000	21684	0	0	21684	21684	23682	23682	-1998	-1998
TOTALS		67676	58794	0	0	126470	126470	123432	123432	3038	3038

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES

2000 TAX SUMMARY (3)		
PRIMARY AD VALOREM TAX		6767
LESS STATE AID TO EDUCATION		0
NET PRIMARY AD VALOREM TAX		6767
SECONDARY AD VALOREM TAX		5879
SPECIAL DISTRICT TAX		0

PAY TOTAL OR HALF TAX

TOTAL TAX DUE	12647
HALF TAX	6323

DELINQUENT DATES
1st HALF NOV. 1, 2000
2nd HALF MAY 1, 2001

THIS IS THE ONLY NOTICE YOU WILL RECEIVE
NO RECEIPT WILL BE SENT UNLESS REQUESTED